



FOLEY & LARDNER LLP

ATTORNEYS AT LAW

90 PARK AVENUE
NEW YORK, NY 10016-1314
212.682.7474 TEL
212.687.2329 FAX
WWW.FOLEY.COM

WRITER'S DIRECT LINE
212.338.3496
kcatanese@foley.com

CLIENT/MATTER NUMBER
098929-0117

March 7, 2023

Hon. Philip Bentley
U.S. Bankruptcy Court, Southern District of
New York
One Bowling Green, Courtroom 601
New York, NY 10004

Re: *In re Symbiont.io, LLC*
Case No. 22-11620 (PB)

Dear Judge Bentley,

We write as a status update to the without prejudice chambers conference (the “Conference”) in this matter attended by both LM Funding and the Debtor. In our status letter to Your Honor on February 14, 2023, LM Funding informed the Court that it planned to file a Rule 2004 motion and would likely move to convert the above-captioned chapter 11 case to a chapter 7.

At our latest Conference, we indicated to Your Honor that, after many discussions with Debtor, Debtor has agreed to appoint a Chief Restructuring Officer (“CRO”) to take over the management and day-to-day operations of the Debtor in order to facilitate a sale of assets of the Debtor. The CRO will be paid out of LM Funding’s Cash Collateral.

As we had indicated at the Conference, our hope was that the Debtor would be in a position to file a motion to appoint the CRO (the “Motion”) and a stipulation to use cash collateral (the “Stipulation”) as soon as today; however, in order to engage the CRO, the CRO requires D&O insurance coverage. Debtor has indicated that there is a current D&O policy (the “Policy”), but to date has not provided a copy of the Policy so that we may be able to determine whether the CRO is insured under such Policy. Without a copy of the Policy, we cannot move forward on the Motion or the Stipulation.

Once the CRO is in receipt of the Policy and ensures coverage under the Policy, LM Funding and Debtor will move forward with filing the Stipulation and the Motion.

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Please let us know if you have any questions or if you require anything further.

Respectfully submitted,

/s/ Katherine R. Catanese

Katherine R. Catanese

cc: United States Trustee
R. Dakis
L. Morrison